

VILLAGE OF LA GRANGE
POLICE PENSION FUND
July 19, 2017

Meeting was called to order by Secretary Ljubenko at 4:05 P.M. Present were President Beaver, Secretary Ljubenko, Assistant Secretary Wardlaw, new Trustee Andrew James and Finance Director/Treasurer Cipparrone. Also present were Investment Advisor Jessie Barrett of Wells Fargo Advisors and Dominic Pappalardo of McDonnell Investment Management, LLC. Absent was Trustee Meagher, meeting continued, quorum present.

Upon motion by Wardlaw, second by Beaver, the Board approved (James abstained due to not being Board member at prior meetings) the January 25, 2017, Board Minutes and the April 26, 2017 (canceled meeting) Board Minutes presented by Secretary Ljubenko.

Dominic Pappalardo, Portfolio Manager of McDonnell Investment Management, LLC, presented the Board with an update on the Pension Fund's fixed income portfolio. McDonnell Investment has been managing the Fund's fixed income investments since September 2011. The portfolio had a 2016 total rate of return of 1.96% and a YTD 2017 total rate of return of 1.70%. Since inception (Sep. 2011), the fixed income investment portfolio has an annualized rate of return of 2.01%.

Treasurer Cipparrone presented the June 30, 2017 Police Pension Fund Activity Report.

Jessie Barrett presented the Wells Fargo Advisors Asset Allocation Report. Jessie Barrett made recommendations to the Board regarding adjustments, movement of funds in the John Hancock VISION-Variable annuity and the Pacific Life-PAC ONE-Variable annuity. The recommended changes would rebalance the Fund's investments and move the Fund's overall exposure closer to the target of 55% of the Fund's assets invested in equities. Upon motion by Wardlaw, second by Beaver, the Board unanimously approved moving the approximately \$1,094,858.32 in the John Hancock VISION-Variable annuity (#2041241) to a 3% fixed income rate "bucket" option (which would also eliminate the 3% fee), and regarding the Pacific Life-PAC ONE-Variable annuity (#VA98794820), move \$100,000 to a 3% fixed income rate "bucket" option, take out the remaining residual cash amount of approximately \$1,488,238.36, move \$400,000 of the residual into the International Fundsourc account, move \$65,000 of the residual into the McDonnell Investment Management fixed income account and move the remaining residual amount, approximately \$1,023,238.36 into the Diversified Managed Allocations (DMA) account.

Sec. Ljubenko advised the Board that the only nominations received for the Active Officer Trustee positions were that of Stephen Ljubenko and Robert Wardlaw, therefore no election was necessary and none was held. Both Stephen Ljubenko and Robert Wardlaw will retain the Trustee position and remain in office until April 30, 2019.

The Board was advised of the resignation from the Police Department by Officer Bret Hon. He served the Department from Sep. 22, 2014 to Mar. 18, 2017. He resigned to accept a position as a Police Officer with the Oak Lawn Police Department. The Board awaits his decision on what he wishes to do with his pension contributions.

The Board welcomed new Village Appointed Trustee Andrew James, who replaced appointed Trustee John Kunkle. Trustee James' term of office is May 1, 2017 to May 1, 2019. John Kunkle gave two years dedicated service to the Board as an appointed Trustee from May 2015 to May 2017, he stepped down due to accepting an employment position out of state. The other Village Appointed Trustee, Mike Meagher, continues to serve, his term of office is until May 1, 2018.

Upon motion by Wardlaw, second by Beaver the Board unanimously approved the following Board officer positions for the next year: President-Bryan Beaver, Vice President-Andrew James, Secretary-Stephen Ljubenko, Assistant Secretary-Robert Wardlaw, Trustee-at-Large-Mike Meagher and Treasurer-Lou Cipparrone.

The Board was advised that Ofc. Kaiser got married in June 2017 and Ofc. Wessendorf had a baby girl born in June 2017. Required documents to be placed in their files.

There being no other business the meeting was adjourned at 6:15 P.M. The next meeting is scheduled for Wednesday October 25, 2017, 4:00 P.M. at the LaGrange Police Department.

Respectfully Submitted,

Stephen Ljubenko
Secretary